

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1427
ANSWERED ON:02.08.2005
INDO-NEPAL TRADE
Badi Shri Rajendra Kumar;Panda Shri Prabodh

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government of Nepal has recently sought permission to set up Joint Venture especially in Agriculture and Tea Sector;
- (b) if so, the details thereof;
- (c) the reaction of the Government thereto;
- (d) the Status of trade between India and Nepal during the last three years;
- (e) whether there has been decline in the trade between India and Nepal during the current financial years;
- (f) if so, the reasons therefor; and
- (g) the steps taken by the Government to boost trade between the two countries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

- (a): No, Sir.
- (b) & (c): Do not arise.
- (d): Total trade between India and Nepal during last three years is as follows :

(In US \$ Million)

YEAR	EXPORTS	IMPORTS	TOTAL TRADE
2002-03	350.36	281.76	632.12
2003-04	669.36	286.04	955.40
2004-05	728.46	340.02	1068.48

Source: DGCI&S

(e) to (g): It may be seen from the above table that there has been no decline in the trade between India and Nepal during the current financial year. In fact, there has been an all round improvement in the trade between India and Nepal during the year 2004-05 as compared to the years 2002-03 and 2003-04. However, Government of India and Government of Nepal are taking all steps to encourage investments in all sectors in Nepal to strengthen the trade between both the countries on a reciprocal basis.